



# Loan Programs

## **Lender Benefits**

- *Provides guaranty to lines of credit*
- *Low cost*
- *Bank can charge a reasonable servicing fee for managing the line*

## **Required Forms**

- *Standard 7(a) loan package*
- *Month to month cash flow*
- *SBA Form AB-4 and AB-4I (for small asset based line of credit only)*

See 7(a) Checklist for required forms:  
[www.sba.gov/mt/mt\\_banking7a.html](http://www.sba.gov/mt/mt_banking7a.html)

## **For More Information**

### **SBA Montana District Office:**

- Phone: 406-441-1081
- Fax: 406-441-1098
- TDD: 406-441-1097
- E-mail: [john.donovan@sba.gov](mailto:john.donovan@sba.gov)
- District Home Page:  
[www.sba.gov/mt](http://www.sba.gov/mt)

All of the SBA's programs and services are provided to the public on a nondiscriminatory basis.

(05/17/06)

## **CAPLine**

- **Seasonal**
- **Contracts**
- **Construction (spec home financing qualifies)**
- **Asset Base Loan size same as 7(a)**
  - **Standard Asset Base (more than \$200.0M)**
  - **Small Assets Base (\$200.0M and below)**

## **Guaranty Percentage**

- 85% for loans of \$150.0M or less
- 75% for loans greater than \$150.0M to \$2.0MM (maximum guaranty amount-\$1.5M)

## **Guaranty Fee**

- 2% for loans \$150.0M and less
- 3.0% for loans greater than \$150.0M up to \$700.0M
- 3.5% for loans greater than \$700.0M
- Any size loan with a maturity less than one year .25% guaranty fee payable at time of application

## **Rates**

- 2.25% above prime if maturity is more than 1 year

## **Maturities**

- 1 to 5 years

## **Collateral**

- Must have first position on inventory and accounts receivable or direct assignment of proceeds, in the event of contract financing